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State/EPA Performance Partnerships

Quick Reference Fact Sheet

Reinvention is the new way EPA is carrying out its mission. EPA's reinvention philosophy is to focus on improved environmental results, allowing flexibility in how results are achieved; to share information and decision-making with all stakeholders; to create incentives for compliance with environmental requirements; and to lessen the burden of complying with environmental requirements. Through reinvention, EPA is improving the way that it protects public health and the environment so that America can enjoy continued environmental improvement at a reasonable cost.

Objective: Reinvent the EPA/State working relationship to strengthen the management, efficiency, and effectiveness of the nation's environmental programs. Redefine the Federal and State roles and responsibilities to assure that scarce public resources are being used efficiently to address the most important environmental problems. Measure and report to the public on environmental conditions, trends, and State/Federal progress towards environmental and programmatic objectives.

<u>Background</u>: Most of the nation's environmental statutes envision a strong role for the states in implementing and managing environmental programs. A joint State/EPA Task Force on State Capacity recommended in 1993 that, while state capacity to implement these programs varies across the nation and over time, EPA and the States need to adopt a systematic approach to increase state capacity, and to manage these programs in a way which allows each level of government to contribute according to its respective strengths.

In May of 1993, the Administrator of EPA established a State/EPA Steering Committee to oversee implementation of the Task Force recommendations. Subcommittees were established to pursue work on oversight reform, increasing state participation in EPA decisionmaking, developing national environmental goals and measures, allowing flexible funding across programs, and improving communications between EPA and states.

In February of 1995, the President announced a "Performance Partnership" initiative which proposed that the states should be allowed the option of combining funds from individual programs in order to achieve improved program performance. EPA issued interim guidance in December of 1995 establishing a framework for Performance Partnership Grants (PPG) for environmental program grants between EPA and the States. These grants are an important tool for implementing the Performance Partnership Agreements.

Description: The National Environmental Performance Partnership System (NEPPS), signed by the Administrator and State environmental program leaders on May 17, 1995, is designed to give strong state programs more leeway to set environmental priorities, design new strategies, and manage their own programs, while concentrating EPA oversight and technical assistance on weaker programs. The major components of this agreement include increased use of chariconmental goals and indicators, state assessments of environmental and program performance, environmental

performance agreements, differential oversight, increased public involvement, and joint system evaluation. This system envisions a trend toward state program self-management and flexibility while improving environmental and programmatic accountability to Congress and the public. PPGs and NEPPS together will afford states and tribes flexibility to focus resources on the most serious environmental problems, encourage broad intergovernmental dialogue, and increase public participation in environmental decision making.

Accomplishments to Date:

- ✓ Spring of 1993 Report from the joint State/EPA Task Force on State Capacity
- May of 1993 the Administrator of EPA established a State/EPA Steering Committee to oversee implementation of the Task Force recommendations.
- ✓ July 14, 1994 the Administrator and State representatives from the Steering Committee signed a "Joint Policy Statement on EPA/State Relations"
- May 17, 1995, EPA and state environmental leaders agreed to jointly establish the NEPPS.
- Six states signed pilot Environmental Performance Agreements with EPA for FY 96.
- ✓ As of April 1, 1997 twenty-seven states have signed Performance Partnership Agreements with their respective EPA Regional Offices for FY 97.
- ✓ Thirty-three states have signed Performance Partnership Grants for FY 97 as of April 1, 1997.
- On December 20, 1996, a Joint EPA/State Workgroup refined definitions of core program performance measures for use in FY98 Performance Partnership Agreements.

Next Steps:

- State Environmental Directors are working with EPA to refine the core performance measures which will be used for FY98.
- A Joint EPA/State Workgroup is working to find ways to reduce the reporting burden associated with managing national environmental programs.
- Conduct a joint system evaluation as NEPPS evolves.
- Expand public outreach and involvement.
- Collaborate with states on integrating NEPPS and PPGs into the Agency's implementation of the Government Performance and Results Act of 1993 (GPRA).

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